

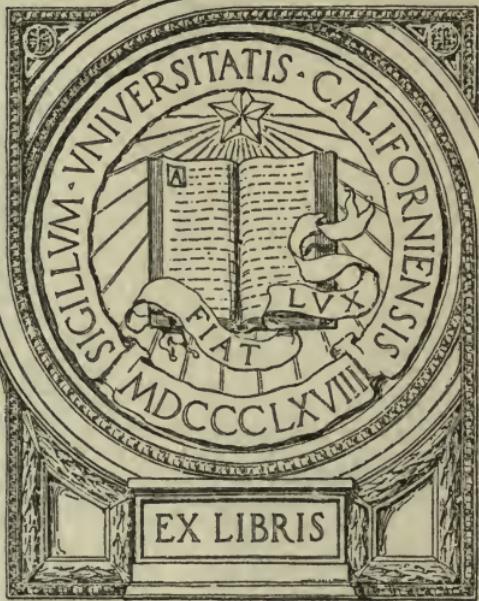
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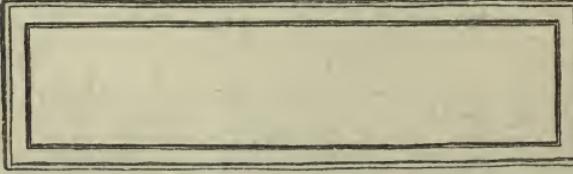


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# **COMPULSORY MINIMUM WAGE SCALE**



# **COMPULSORY MINIMUM WAGE SCALE**

**Resolved, That the Policy of Fixing Minimum Wage  
Scales by State Boards is Desirable**

## **CONSTRUCTIVE AND REBUTTAL SPEECHES**

**BY**

**LESTER F. REAM      BRUCE F. GATES  
ALVIN WENDT      LYLE M. CASSAT**

**OF**

**PARSONS COLLEGE, FAIRFIELD, IOWA**

In the Triangular Debates between Leander Clark College, Toledo,  
Iowa; Penn College, Oskaloosa, Iowa, and Parsons College,  
Fairfield, Iowa.

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# COMPULSORY MINIMUM WAGE SCALE

## PART I—AFFIRMATIVE

*Resolved,*

That the policy of fixing minimum wage scales by state boards is desirable.

### FIRST AFFIRMATIVE SPEECH

*Lester F. Ream.*

We are discussing to-night a question which has for its aim the welfare and protection of the exploited and unprotected workers. What we mean by exploited and unprotected workers are those which are sweated. By sweating we mean, of course, what has come by common consent to be the ordinarily accepted definition of that term, viz., the payment by an employer to his employees of a wage which is insufficient to purchase for them the necessities of life. Thus we see that sweating is not confined to home work nor to those working in any one occupation. In the various states many of the girls, boys and women working in our factories, department stores, laundries and other industries are known to be sweated; that is, they do not receive a wage sufficient to provide for themselves the necessities of life. It is true, however, that we find the worst conditions among the home-workers and especially those who undertake to finish at their homes garments put out by large wholesale houses.

Before entering into an argumentative discussion of this question, I desire to briefly depict the conditions prevalent in the sweatshops, or, in other words, the home-workers, and also to give a fair estimate of the conditions of those working in factories, department stores and other industries. In these sweated shops the wage paid is inconceivably small, but nevertheless on these wages the workers in a desperate

effort to keep body and soul together deprive themselves of many things which are necessary to decent living and good health. Here we find the conditions deplorable. Here the mother is compelled to work long hours and consequently has no time for household duties, and as a result the home must go unkept, and the utmost filth abounds. Here you will see families huddled together in unsanitary houses, where the most infectious diseases abound, such as diphtheria, smallpox and consumption. Here you can behold the atrocious crime of seeing the withered, white and trembling hand of a great white plague victim slowly stitching away upon a garment which perchance you or I may some day wear and investing in it the germs of that horrible disease which are destined to impair the health and efficiency of successive generations. Not only do these conditions involve the workers of the present day, but its baneful curse blights the hope of future generations. Here children grow up without the proper training of a mother or the necessary discipline of a father, or even the first fundamentals of an education. In these despicable places children are ground into dollars despite the wishes of father and mother. In the sweatshops every child must work, for it is impossible for the father to provide for the family out of his own wage. Here children are cheated out of the golden days of childhood and the joys of youth, and as a result children grow up to become not able-bodied men and women, but unemployables, both mentally and physically defective.

Now let us turn to our factories, department stores and other industries. Here we find our workers sweated almost beyond endurance. In these industries thousands of mothers are forced to work from morning till night to help earn a living for their children. Oh how many mothers are there who are forced to work from week to week, their only thought being to earn a living for their loved ones, and by so doing are made unfit for the greatest service for which God has placed them in this world. When a mother becomes a wage earner she can neither care properly for her own health, rear her children aright, nor make her home what it should be for her husband, her children or herself. Thou-

sands of girls are forced to lead a life of shame and prostitution because their wages are insufficient to provide the necessities of life.

Such conditions are a disgrace to our nation, nevertheless they exist. As we stand in the midst of these deplorable conditions we cannot believe that the intelligence of this age will much longer turn a deaf ear to their pitiable cries. Such is the light in which the question we are discussing to-night must be considered. Our opponents will probably charge us with trying to trick you into sympathy with our cause, but such is not the case. It is able to stand or fall on its own merits. We picture these deplorable conditions only because they force themselves upon us by their immediate bearing upon the problem of wages, and also to show that the cause of the sweating evil is the low wage. It is because of these conditions that we the Affirmative propose Minimum Wage legislation.

We, the Affirmative, in upholding the contention that present industrial conditions demand Minimum Wage legislation, do not contend that such legislation will prove a panacea for all our ills, but we do maintain that it is the best remedy for present conditions, and that adequate remedy can be found only in wage legislation. Any proposal to reform an existing evil is always met with the demand for a definitely outlined and detailed plan. This demand always comes from opponents of the proposition with the hope that some minor points will be defective, and through these they will be enabled to attack the whole great principle involved. Our opponents to-night will probably attempt to pile up an innumerable mass of minor objections in an effort to attack the whole great principle involved, when in reality these minor points are not defective, and if really defective would be corrected after a short time in practice. In the face of these facts we, the Affirmative, realize how impossible it is to outline a plan so perfect as not to admit of improvement.

Now, honorable judges, we have showed to you that the conditions of the exploited and unprotected workers are deplorable, and that the cause of these conditions is the low wage, and that each has a direct bearing upon the other, therefore the Minimum Wage is based upon the principle

that the best way to neutralize the evils produced by poverty is to prevent poverty and the only way to prevent poverty among our sweated workers is to secure for them a higher wage, or at least a living wage. Therefore since the low wage is responsible for the evils brought about by sweating, we maintain that the only possible way to alleviate the conditions of the sweated workers is through minimum wage legislation. It is almost impossible to believe that while in the last twenty years the cost of living has steadily risen the wages of our sweated labor has decreased instead of increased. This is shown by Adams and Sumner in their book on "Labor Problems." This statement was verified by the investigators of Elizabeth C. Watson, who writes in the Survey, 1911. Constance Smith, in her book on "Labor," on page 3, says that the sweated worker is worse paid to-day than she was twenty years ago. These facts, combined with the deplorable conditions of our sweated labor, stand out as evidence that Minimum Wage legislation is needed in our sweated industries to assure a living wage. The Affirmative maintain that every one who is willing to work and is physically, mentally and morally sound, is entitled to a living wage and fair conditions under which such a wage may be earned. This is an inalienable right of every citizen. The Affirmative propose to neutralize the evils of the industrial world by having the various states enact Minimum Wage laws which shall provide for wage boards, similar to those in Victoria, New Zealand, England and our own states, viz., Massachusetts, Wisconsin, Minnesota, California, Utah, Oregon and others. While the laws enacted in these states and countries vary in detail, the same great principle runs through all the plans.

These wage boards would be composed of a certain number of men or women, equally attentive to both the interests of labor and capital. It would be the duty of these boards to investigate the conditions of labor in the factories of each state, and to determine the lowest possible decent living wage in each community or section, and set a wage below which it would be illegal for an employer to pay. Such a law would be both elastic and variable; that is the wage boards which we have suggested will fix a wage that can be changed to

meet conditions; not one that will forever remain the same. When prices rise it will be the duty of the wage boards to see that wages are changed to meet conditions. In every instance where the minimum wage has been adopted the wage boards have been given the power to fix different rates of wages for different sections of the state if the cost of living demanded it; the board can fix different rates of wages for different classes and grades of labor; it may fix either a time rate or piecework rate of wages or both; the board can also grant permits to learners, minors, apprentices, old or infirm people, thus we see that the law is perfectly elastic.

Our opponents may suggest other remedies, among these is that of organization. But in our sweated industries where very little skill is needed, organization is impossible, because the workers are poor, weak and ignorant, and because they cannot organize they continue to be poor, weak and ignorant. The need of work by this class is so great and the workers so numerous that the employers may dictate their own terms, limited only by their sense of social responsibility. Thus we see that organization is practically impossible among our sweated workers. They may suggest industrial education, sanitary laws, restriction of immigration, which are all good, but do not strike at the roots of the evil, and in themselves cannot solve the problem. Experience has shown that many of these laws do not and cannot remedy the evil of the low wage. How in the name of common sense can you educate a child so long as that child must spend its whole time in earning a living? How can sanitary laws help a class that have not the money to provide for themselves comfortable clothing and decent food, nor time for recreation and rest, all of which are necessary to higher efficiency and good health? Such laws work well along with the minimum wage, but they will not and cannot take its place. The essence of the sweating evil is the low wage, and such proposed laws do not strike at the roots of this evil. The minimum wage is the only way to neutralize the evils of the sweating system, and not until the worker is given a wage sufficient to cover the costs of a decent living will this evil be mitigated.

The minimum wage, as many think, is not a theoretical movement, neither is it new or untried. It has showed itself

in actual experience to be successful, and has proved itself to be an adequate remedy for the evils of the low wage. In 1896 Victoria enacted a wage law to be enforced in five sweated trades. Naturally this was opposed by all the arguments with which you will be familiar at the close of this debate. Its opponents maintained that it was against the laws of political economy; that it would restrict employment; that it would drive away capital; that it would be cruel to the aged worker and the poor widow; that it could not be carried out in practice, and so on and so forth. Its opponents, both in Europe and America, have hastened to report that it has broken down. But what has been the result? In the trades to which the law was first applied the wages of sweated labor have gone up thirty-five per cent; the hours of labor have been reduced; and the actual number of persons employed, far from falling, has in all cases, relative to the total population, greatly increased. Thus we see that the minimum wage does not spell ruin for the country in which it is adopted, but rather shows itself to be an adequate remedy for industrial evils. One of the strongest arguments in Australia in favor of the minimum wage is the fact that during the past eighteen years the law has been reenacted five times and has been extended to the whole of the Australian colonies, including every province in Australia. The law has gradually been extended to various industries, until to-day almost every industry in these colonies is under the supervision of the Minimum Wage. And when a law has been in operation for eighteen years in a highly developed and civilized country, and has gradually been extended instead of limited, and during that time received the approval of the entire public, we can safely conclude that such a law has brought about good results regardless of what its opponents may say against it. Such has been the history of the Minimum Wage in Australia. Because of its success in the Australian countries the United States and England sent special investigators to study the merits of the law. Dr. Victor S. Clark, the man sent by our government, says in the No. 49 Bulletin of the Bureau of Labor, page 1225, that the measure is a success beyond expectation, and could be operated in our own states with success and without making a bold departure from our

precedents and institutions. Mr. Aves, the man sent by England, made such a satisfactory and favorable report that the Houses of Lords and Commons immediately wrote the English Wage Boards Acts of 1909, which went into effect January, 1910. We do not contend that its success in these countries signifies that it will be a success here, but we think the analogy strong, and that its continued success in these countries is at least a strong argument for the Affirmative.

In the next place our plan is stamped with the approval of the best authorities on the subject of labor legislation. The most important students of political economy in our country who have voiced their approval of the Minimum Wage are: Taussig, of Harvard; Seager, of Columbia; Ely and Commons, of Wisconsin; Adams, of Cornell; and John A. Ryan. Clark and Aves, men sent by the United States and England to investigate the law in Australia, have put themselves on record as favoring such a plan. And the greatest legislative body of England voiced its approval of such a measure. We have cited to you a few of the students of political economy who are favorable to the Minimum Wage in order that you may see it is not a theoretical movement, but is based upon a sound economic theory, and that it is not being advocated by a few Socialists and radicals, but by a truly imposing array of the most level-headed and soundest-minded men in the world.

In the next place Minimum Wage legislation is the logical and natural outgrowth of all previous labor legislation. Within the last fifty years labor legislation in the United States has given us the eight-hour day; child labor laws, and sanitation and factory inspection laws. All these laws are good, but the public is coming to realize the fact that these laws fail to mitigate the evils of sweating, and as a result are turning to the Minimum Wage as the most adequate remedy for the sweating evil. All these laws embody the same great principle as the Minimum Wage. The principle of the Minimum Wage is no more radical or no more interferes with an economic law than does the eight-hour law, a law which has shown itself in actual practice to be a benefit to the industrial world. To say that a woman shall not contract to work for less than a decent wage is to go no farther than to say

that she shall not contract to work more than eight or ten hours, or under unwholesome conditions which may affect her as the potential mother of future generations. Indeed, it is much easier to trace a social connection between working for wages inadequate to maintain a decent living and working more than eight or even ten hours a day. Already nine states of the Union have enacted Minimum Wage laws, and last year one of the great political parties had a Minimum Wage plank in its platform. This shows that the public believes the Minimum Wage to be good; it also serves to show that the economic theory of it is sound enough to be at least worthy of a trial. Honorable judges, so far in my argument I have shown that present industrial conditions demand relief, and that the Minimum Wage is the most adequate way to bring this relief about.

In the next place I will attempt to show that Minimum Wage legislation will increase the efficiency and productivity of the state's industry. The principal question for us to consider is how the adoption and enforcement of a definite minimum of wages among the exploited and unprotected labor is likely to affect, both immediately and in the long run, the productivity and efficiency of the state's industry. In regard to this point the verdict of economic theory, whatever it may be worth, is I submit emphatic and clear. To such economists as Seager of Columbia and Taussig of Harvard there seems nothing in the device of a legal minimum of wages that is in any way calculated to diminish efficiency or productivity. On the contrary, all experience as well as all theory seems to show that, as compared with no regulation of wages, or with leaving the employer free to deal individually with each operative, it must tend actually to increase the productivity of the industry. Here we have, in fact, the lesson of actual experience from a whole century of industrial history. It is only necessary to watch in operation analogous common rules, such as the eight-hour law, child labor laws and sanitation and factory inspection laws to see that laws regulating labor tend to increase the state's productivity. Of course, every employer naturally prefers to be free to do whatever he chooses and to compete in any way he pleases. And he has a perfect right to do so, so long as

that right does not interfere with society's right. But the enforcement in any industry of a Minimum Wage does not prevent the employer's choice of one man rather than another, or forbid him to pick out of a body of workers the strongest, the most skillful, or the best workman. It does not even limit the intensity of such competition or the freedom of the employer to take advantage of it. All that it does is to transfer the pressure from one element in the bargain to the other: from the wage to the work, from the price to quality.

Furthermore, the Minimum Wage will compel an employer to make his factory more efficient and productive, for it will force him to do away with parasitic and subsidized labor and hire that labor which is more efficient. If the conditions of employment are unregulated, it will in many cases pay an employer not to select the best workman, but to give preference to an incompetent or infirm man, provided that he can hire him at a sufficiently low wage, make him work successive and irregular hours, or subject him to unsanitary or dangerous conditions. By so doing the employer may make more profit, out of inefficient workmen than out of good workmen. With a legal Minimum Wage, this frequent lowering of productivity is prevented. If an employer cannot go below a common minimum rate, and is unable to grade the other conditions of employment down to the level of the lowest and most necessitous wage earner in his establishment, he is economically impelled to do his utmost to raise the level of efficiency of his workers. The Minimum Wage prevents an employer from taking into his employment an old man or a physical or moral invalid. Thus we see that the Minimum Wage will increase the productivity of the state's industry by acting as a perpetual stimulus to the selection of the fittest men for employment. Many object to the Minimum Wage because it prevents an employer from selecting old or infirm workers. But it is a hard, cold fact that cannot be denied that the aggregate efficiency of the state's industry is promoted by every situation being filled by the most available candidate. This fact is verified by the history of the Minimum Wage in Victoria. During the eighteen years it has been in force there the number of

factories have increased by sixty per cent and the number of workers in them more than doubled.

One of the most serious dangers arising from the existence of a large amount of subsidized labor, such as that of women and minors partly supported by some industry, lies in the low standard set for wages in general, and the advantage given to unscrupulous employers to make the best labor bargains possible, without consideration of the general social effect. Women and minors by their very limitations are unable of themselves to form effective organizations, and thus gain the legitimate advantages of collective bargaining. They are less mobile than men, they are more attached to locality and they are more easily coerced.

The continued efficiency of a nation's industry depends on the continuance of its citizens in health and strength. For an industry to be economically self-supporting it must, therefore, maintain its full establishment of workers, unimpaired in numbers and vigor. If the employers in a particular trade are able to take such advantage of the necessities of their work people as to hire them for wages actually insufficient to provide enough food, clothing and shelter to maintain them in average health; if they are able to work them for hours so long as to deprive them of adequate rest and recreation; or if they can subject them to conditions so dangerous or unsanitary as positively to shorten their lives, that trade is clearly obtaining a supply of labor force which it does not pay for. Such parasitic trades are deteriorating the physique, intelligence and character of their workers; they are drawing on the capital stock of the nation. If employers are allowed to sweat their labor, the nation will, generation by generation, steadily degrade in character and national efficiency. If a girl works for \$5 a week, and has to pay \$9 a week for room, board, clothing and laundry, she is really contributing not less than \$4 a week subsidy to the profits of that industry. The question is, where does she get the \$4? Either she is depriving herself of many of the necessaries conducive to good health, or it is taken from the earnings of shame. If any industry is so necessary to society that it must be subsidized, the subsidy should come from other sources than the deprivation of the necessities of life, or the

earnings of a life of shame. In such parasitic industries the burden is placed upon the shoulders of the very class least capable of bearing it, and is gradually bound to degrade the efficiency and productivity of the nation's industry.

Our opponents may claim that the enforcement of the Minimum Wage in any sweated industry will involve the destruction of that industry, but this is by no means true. We, the Affirmative, maintain that our industries in general are not dependent upon such underpaid labor and that by gradual adjustment of wage scales the present unfortunate conditions in a number of employments could be improved without injury to the employing interests. The existence of negro slavery in the Southern States made, while it lasted, any other method of carrying on industry economically impossible, but it was not really an economic advantage to the cotton-growers. When slavery was done away with it did not injure the cotton industry, but rather stimulated it. It is a fact that if employers pay more the labor would be worth more. In so far as this proves to be the case, the Minimum Wage will raise the standard of life without loss of trade, without cost to employer and without disadvantage to the community. Moreover, the mere fact that employers are at present paying lower wages than the proposed minimum is no proof that the labor is not worth more to them; for the wages of the lowest grade of labor are fixed not by the worth in any sense, but largely by the urgent needs of the marginal man, or rather the marginal woman. On the other hand, if an industry is dependent on such underpaid labor its existence, its value to the commonwealth is useless and it should be forced out of business, or compelled to invest its capital in channels where it can pay a living wage to its workers. This, honorable judges, concludes my argument. In the course of my argument I have shown to you that present industrial conditions demand relief and that the Minimum Wage is the most adequate way to bring this relief about. And lastly, that such a law would increase the efficiency and productivity of the state's industry. I will now leave the Affirmative argument to be continued by my honorable colleague.



## SECOND AFFIRMATIVE SPEECH

*Bruce F. Gates*

I wish to continue the argument in favor of a legal Minimum Wage. My colleague has already shown you that present industrial conditions are such that relief is demanded, especially for the unprotected worker. When you consider that the average wage of the unskilled workers in the candy factories, laundries and department stores is from \$4 to \$5 per week and that these workers are subjected to the poorest of conditions, endangering their own health and that of the next generation, you must agree with us that conditions are bad and that they demand relief.

The gentlemen of the Negative cannot dodge these facts by simply admitting their truth. Deplore them as they will, the facts remain and it is the duty of the state to remedy such conditions because the fundamental purpose of the state is to promote social welfare. The question now confronting us is what is the best means to overcome these conditions.

My colleague has outlined the general plan of the Minimum Wage and I believe has clearly proved his first main point, namely, that the Minimum Wage is the most adequate remedy for these conditions, because it strikes at the very root of the evil of poverty and low wages. He also showed you that the Minimum Wage is not an untried theory, but a practicable, workable reality and has had continuous success in Australia, New Zealand and England and has been adopted by nine of our own states within the last three years. His second main point was that the Minimum Wage will increase the efficiency and productivity of the nation's industry by doing away with parasitic and subsidized labor, and protect the honest employer from the undercutting of the unscrupulous one.

In continuing the debate for the Affirmative, I will treat the Minimum Wage in its relation (1) to society and (2) to the worker. In the first place we believe that the Minimum Wage will promote the general welfare of the state, because it will be the best means of securing industrial peace. The constant quarrels between employer and worker and the

resulting discomfort to society in general are so well known by everyone here that I need only to call them to mind. We all feel many times that this trouble could be averted by sensible arbitration—but it isn't. However, under the Minimum Wage, boards are provided for, consisting of representatives from both employer and worker. These representatives present their respective side of the question and know that unless they arbitrate satisfactorily the law will settle it for them. Common sense tells us that this plan will insure industrial peace and bring the two factions to a better understanding of each other, and the facts can't be denied. In J. R. Common's book on "Trade Unionism and Labor Problems," speaking of Australia, he says: "The act has prevented strikes of any magnitude and has on the whole brought about a better relation between employers and employees." The Review of Reviews, for February, 1913, says: "One thing that is noticeable in Wisconsin's experience is the active coöperation of employers and employees."

The second reason why the Minimum Wage will promote the general welfare of the state is because it will prevent national degradation by protecting women workers. The welfare of society demands the protection of women from those influences which undermine their health and morals and the protection of children from those influences which stunt their natural development. Social progress is wrapped up in the health and morals of a nation's mothers. We live in an age which is demanding that children be "well born." This necessitates healthy motherhood. Hence it is that the state must be responsible for the enforcement of living wages, reasonable hours and decent conditions for its laboring women and children. As it is now, children born into families of unprotected workers are deprived of schooling and thrust into factories, the women are rendered unfit for the burdens of motherhood and the children of the next generation grow up even less efficient than their parents.

The industrial loss to the community is plainly seen. Besides this, there is a direct financial loss in public and private outlay for relief. The direct cause of this is low wages, which force all members of the family into the factory. The sole duty of the state is social welfare and social welfare

means the development of each individual's personality. When the opportunity for this development is lacking in any class it is the right and duty of the state to step in and protect that class.

The third reason why the Minimum Wage will promote the general welfare of the state is because it will separate the efficient from the inefficient worker. The gentlemen of the Negative have argued that the Minimum Wage will throw a large number of people out of employment. I do not agree that it will throw a large number out of work, but it will undoubtedly throw some out. It will throw out of employment just those people who are not able to earn the Minimum Wage. As my colleague has told you, the Minimum Wage will be just a decent living wage, and so just those people who cannot earn enough to live on decently will be thrown out of work. Now, I think you will all agree with me that any able-bodied, able-minded man or woman can earn enough to live on decently, and if there is anyone who really can't produce enough to live on, that person is deficient in some way and ought to be taken out of the factory and be examined scientifically by the state and taken care of with the view of overcoming that deficiency if possible and at least preventing the increase of such defectives in the coming generations. Say nothing about the individuals, the state owes this much to the future generations and the welfare of our nation.

Then, how about the large number of exploited workers now receiving a wage lower than a living wage, but who can and do produce enough to receive a living wage? Under the Minimum Wage law these people would receive at least the Minimum Wage for their industry, and all these people would be able to fit their children for and to rise themselves into higher occupations. More and better food and clothing could be provided, the mother could be kept in the home to attend to her natural duties. Besides this more money would be received by these wage earners and more spent for the commodities of life. This would cause an increase in production and furnish more work for laborers previously working short time or entirely out of work.

So we see that the employables will receive their just

wage and the unemployables will be placed in a separate class to be studied and treated for their own benefit as well as that of the state.

If then, honorable judges, I have shown you that (1) the Minimum Wage will be the best means of insuring industrial peace, (2) that it will prevent national degradation by protecting women workers, and that (3) it will separate the efficient from the inefficient workers, it must follow that the Minimum Wage will promote the general welfare of the state.

I will now proceed with my second main point, namely, The Minimum Wage will give the unprotected worker a decent living and a fair opportunity in the industrial world. This is so (1) because it will prevent the exploitation of the helpless worker. Before I go farther in the discussion of the worker, I wish to emphasize what my colleague brought out regarding the class of labor the Minimum Wage affects namely, the unskilled, exploited worker. The fact that this class of labor receives poor wages is generally known, but its full significance is seldom realized. Did you ever wonder how a man can support a family on \$400 a year, or how a girl can live in a strange city on \$4 a week? That's just what hundreds are trying to do. My opponents may agree that these conditions are deplorable, but contend that it does not mean the workers are exploited. What will they say when I refer them to the report of the Massachusetts Commission, where it says that in one factory 24 per cent of the laborers received less than \$4 a week, while in a similar factory, under the same conditions, only 1 per cent received less than \$4. Similar cases are numerous in Massachusetts and other states. If Jones is paying his help a fair wage and making a profit, Smith must be exploiting his help. But you ask: Why do these people stand for this exploitation? Because they can't help it. These people are so poor, weak and ignorant they can't organize, and so they remain poor, weak and ignorant. But even in the face of these facts is it the duty or right of the state to interfere? It surely is! The laborer's right to a living wage is his right to obtain, under reasonable conditions, sufficient of the earth's products to afford him a decent living. True this right, like all rights, is based on man's intrinsic value, but it is as valid

as his right to life. You and I are bound to respect man's right to life and the specific obligation falls on those people who come in contact with him. In the case of the worker the employer is responsible and if he shirks it is the duty of the state in the name of common justice to intercede, just as the state intercedes in all cases where undue advantage is taken.

Another reason why the Minimum Wage will be a benefit to the unprotected worker is because it will stimulate endeavor and increase efficiency. When a Minimum Wage scale goes into effect it is perfectly obvious that all workers who cannot earn the minimum will be thrown out of work. However, that does not mean that all those receiving less than the minimum will be thrown out, for there is no doubt but that a large number of these exploited workers produce enough to earn a wage at least as high as the minimum, but have been forced to work for less because the large supply of unskilled workers compared to the demand for their product has forced them to work for whatever they can get in order to live from day to day. Now when this minimum Wage scale goes into effect the workers will know that they must prove to their employer that they are worth the minimum, or they will lose their jobs. Do you want to lose your job? Of course not. These people need their jobs worse than you and I need ours, because they live from hand to mouth. It is perfectly obvious, then, that they will strain every effort to keep their jobs—to produce at least the Minimum Wage and to do this they must show their employer that they are worth it. Those workers who have not been producing enough to justify the Minimum Wage will have to increase their efficiency in order to hold their jobs.

So we see, the Minimum Wage automatically forces every worker who has been receiving less than the minimum to strive harder, and that means increased efficiency. The Minimum Wage will be a goal toward which they must constantly strive and constant strife toward a goal is the only way to increase efficiency.

Now let us consider the Minimum Wage and its tendency to increase efficiency, from another angle. The worker who has been receiving less than the minimum has been depriv-

ing himself and his family of some of the necessities and all the pleasures of life and has been dominated by a sour feeling of discontent. When, through the Minimum Wage he receives a wage on which he can live decently, he can have three meals a day, a warmer house, more and better clothes; he can put his children in school and his wife in his home. The result will be a stronger, better nourished boy, a happier family, a more cheery home and a better attitude toward his work. Can there be any doubt but that this will give the worker new life, increased strength and energy and greater efficiency? The employer knows that it pays to keep his horses in the best condition, but when his men and women weaken he merely casts them aside and draws on the ever increasing supply. So we see the Minimum Wage, by forcing a selection of the efficient, places a goal for the worker and stimulates endeavor and so increases efficiency. It also endows the worker's physical and mental self with an increased power of production.

The third reason why the Minimum Wage will benefit the unprotected worker is because it will make the freedom of contract an actuality. The opponents of the Minimum Wage urge that legislation dealing with wages is an invasion of the right of free contract. Now, freedom of contract presupposes the equality of the bargaining power of the contracting parties, for where is the freedom of contract when one party is all powerful and the other party helpless? Who will say freedom of contract when a friendless, destitute girl, with but a few pennies in her pocket, applies for work in a large factory. Does the employer need this one small addition to his help as much as this girl needs work? No! It is ridiculous to talk freedom of contract for our unskilled workers under the present system. The need of the work is so great and the workers so numerous that employers dictate their own terms. What we of the Affirmative are contending for is not legislation which will destroy freedom of contract, but legislation which will make freedom of contract an actuality and not a ghastly mockery. We want wage bargains to be real bargains, based on a reasonable equality of bargaining power and not the necessities and ignorance of the weaker party.

The fourth reason why the Minimum Wage will benefit the unprotected worker is because, under the Minimum Wage efficiency and not the superior bargaining power of the employer will determine wages. Opponents of the Minimum Wage urge that wages should be based on efficiency and not on the cost of living. We of the Affirmative agree most heartily with them. It would be ridiculous for anyone to expect that workers would be paid more than they are worth by any employer. Our contention is that many of the unprotected workers to-day are not paid what they are worth because of the lack of real freedom of contract and because of the superior bargaining power of the employer. Under the Minimum Wage a weeding-out process, based on the real efficiency of the workers, would result. Those people so deficient as not to be able to earn enough to keep body and soul together would be placed in a separate class and scientifically studied, as I have previously suggested, while all those workers who are worth the Minimum Wage would naturally be kept by the employer. Thus we see the wages of the unprotected worker would be based on efficiency under the Minimum Wage, while now they are based entirely on the relative bargaining power of the two parties, which is all in favor of the employer.

If then, honorable judges, I have shown you that the Minimum Wage will (1) prevent the exploitation of the helpless worker, that (2) it will stimulate endeavor and increase efficiency, that (3) it will make the freedom of contract an actuality, and that (4) under the Minimum Wage efficiency, not the superior bargaining power of the employer, will determine the wages of the unprotected worker, then I believe you will agree with me that the Minimum Wage will give the unprotected worker a decent living and a fair opportunity.

Now, in conclusion, honorable judges, I would like to briefly summarize the arguments of the Affirmative. We urge the establishment of a legal Minimum Wage and believe that the principle of fixing a Minimum Wage by state boards is desirable because, as we are all well aware, present industrial conditions among the unskilled workers demand relief, and we believe these conditions can best be met by the

Minimum Wage for four fundamental reasons: (1) The Minimum Wage is the most adequate remedy for these conditions, since it strikes at the root of the evil, whereas the many other suggestions do not. (2) The Minimum Wage will increase the efficiency and productivity of the state's industry by doing away with parasitic and subsidized labor and necessitating a selection of the most efficient. (3) The Minimum Wage will promote the general welfare of the state because it will be the best means of insuring industrial peace, because it will prevent national degradation by protecting women workers, and because it will separate the efficient from the inefficient. And, (4) The Minimum Wage will give the unprotected worker a decent living and a fair opportunity in the industrial world, because it will prevent the exploitation of the helpless worker, because it will stimulate endeavor and increase efficiency, because it will make the freedom of contract an actuality, and because under the Minimum Wage efficiency and not the superior bargaining power of the employer will be the basis of wages.

## PART II—NEGATIVE

*Resolved,*

That the policy of fixing minimum wage scales by state boards is desirable.

### FIRST NEGATIVE SPEECH.

*Alvin Wendt*

My opponent has done full justice to the deplorable conditions existing among our lower classes of labor. Now we of the Negative admit that certain undesirable conditions exist among the lower classes of labor just as there are as equally undesirable conditions among other classes of society. If this were not true there would be no occasion for this debate. However, we will not concede that they are as alarming at the present as the gentlemen of the Affirmative would have you think. For in the last two or three generations sanitary condition laws have been passed, hours have been shortened, child labor laws passed, wages have risen, and on the whole, there never was a time in the history of civilization when there was more call and encouragement for the man or woman who wished to rise in the world. But this is not the issue of our discussion. We are discussing whether or not the policy of fixing a Minimum Wage by state boards is desirable and in order that it be desirable the Affirmative must show us where or how the Minimum Wage will alleviate these undesirable conditions without bringing on other problems which are equally puzzling to solve. The theory which advocates of the Minimum Wage put forth, seems beautiful enough. Its object seems quite just and we of the Negative are entirely in sympathy with the sweated laborers. But when you attempt to put this theory into practice it presents some mighty practical difficulties and upon this basis, honorable judges, we of the Negative will show you that the policy is

undesirable because, first, it is entirely impracticable, second, it has an unsound basis and third, it will only make bad industrial conditions worse. Our social evils of the present are not new, neither is the idea of state regulations of wages untried. In the 16th century under Edward III England, by drastic legislation, passed an act regulating the wages of the working people which resulted in grinding the people down to a form of slavery. Then a fight between labor and capital ensued for a century or two when in the beginning of the 19th they entered upon a system of wholesale state charity to relieve the suffering. The English poor commission report of 1834 showed that their attempt to protect the lives and liberty of their people was the burdening of the state with the keeping of a multitude of idlers and lowered the wages of those who were really willing to work.

The Massachusetts Minimum Wage Law provides for three men to be appointed by the Governor whose duty it is to inspect the various industries to detect instances where less than a living wage is being paid. When such a case is found they choose fifteen men to ascertain the cost of living and the profit of the employer and from these fix a Minimum Wage. Now here we find a gigantic problem. What is the American cost of living? There are in every industrial community from 25 to 50 different nationalities and races each of which has different habits, customs, desires and principles of economy. Sidney and Beatrice Webb of England, two of the foremost advocates of the Minimum Wage, say in their book on Industrial Democracy: "The difficulty of really applying the Minimum Wage is a most obvious draw-back to it." They say further that, "the indispensable minimum conditions prescribed for each occupation can not practically be adapted to the requirements of each individual, but must be roughly gauged by needs of the normal type. But a more serious difficulty is our lack of precise knowledge as to what are the conditions of healthy life and industrial efficiency and while the amount of food and clothing might be ascertained we have no data from which to estimate the cost of extra food and clothing, accidental sickness or disability."

Now if by rough estimating a Minimum Wage is fixed for an industry in a certain community, the theory is shown inelastic in that in some other part of the state where the cost of transportation and production were greater or where the living was naturally higher the law would work a hardship to both employer and laborer in the same industry. Then if we grant the Commission the privilege of establishing a Minimum Wage in each institution if necessary, the whole affair presents a proposition which is preposterous to presume. Now in New Zealand where the average number of employers in an industry is 14, this is comparatively simple but in Massachusetts, for example, with its 7,685 institutions and industries the clamoring for investigation and objections to decisions would be inconceivable. And on the whole, the end would not justify the means for where fifteen men are to be chosen to investigate each case there would necessarily be an enormous increase in state officers and expenses. As in Australia the first year of the Minimum Wage brought about an increase in state officers of 250 per cent and state expenses were trebled.

Another objection to the policy is that it creates unfair state competition and interferes with interstate commerce laws. It is plain to be seen that where each state is supreme, so long of course as certain broad principles of Federal Government are not violated, that different laws concerning the same industry will be passed in different states, and our difficulty would be even greater than that which Australia has met with in making their Interstate Commerce laws harmonize with the varying laws in the several states. It is also well known that competition is very intense among employers in the same industry so that a slight raise in the cost of production for one employer often times makes it difficult to meet the prices set by his competitors. Now you can easily see the unfairness and injustice of making an employer pay a Minimum Wage for his labor and at the same time forcing him to compete with the employer in the adjoining state where he is at liberty to hire his labor at cheaper rates. Furthermore, what possibility is there that a state like Massachusetts or New York could undertake anything like a

Minimum Wage law without being flooded with laborers from states having no Minimum Wage? A state Minimum Wage law would immediately require a virtual prohibition of all aliens from neighboring states or abroad because without such restriction it is conceivable that any single state could make any headway against the inflow of labor. Mr. Ledger, a Senator from Queensland, described the outcome of the Minimum Wage when he says: "Although the Minimum Wage has been in effect in Australia for eighteen years it is still in the experimental stage and the results obtained thus far have been, on the whole, negative results. Each year they are forced to pass law after law to cover up faults and defects of those passed the previous year," and in that way are attempting to protect the frail idea of regulating wages by the state which has many times been on the verge of being cast aside on the scrap pile of legislative lumber.

After all the difficulty in establishing a Minimum Wage has been mentioned, there is still sufficient reason to condemn it in the fact that it can be and is being easily avoided. If an employer is forced to pay a man or woman more than he feels satisfied they are earning non-continuous employment will many times be the result. For it is easy for the employer to insist on and see to it, that the laborer works harder and then lay him off a certain amount of time and while getting practically the same amount of work from him he is paying him no more on an average than he did before. In England in the coal mining districts in many cases the mining company owns the mine, the houses in which their workers live and the store of the village. The miners are paid in trading checks and if they are forced to pay them more wages it is an easy matter for them to raise either the rent, or price of groceries and thus get back the increase in wages. In New Zealand in the case of Chinese many are found working apparently for the Minimum Wage but have secret agreements whereby they hand back a part of it to the employer or lose their jobs. Now as New Zealand has met with this difficulty with practically no foreign immigration, imagine how this would be magnified if applied in our country with our well known immigration problem. Furthermore, the 252

cases which came upon the court of Victoria in a single year for the violation of the act shows that so long as the human body requires sustenance, laborers will attempt to supply it and if they are incompetent of earning enough to supply all their wants, Minimum Wage or no Minimum Wage, they are going to supply as much of it as they can. Their helplessness, lack of organization, and business knowledge will stand in the way of their getting benefit from the law just as it has hitherto stood in the way of their helping themselves and we could hardly expect one of these laborers who is inefficient to secure work at the minimum to sacrifice himself for the ultimate good of the race. In the Victorian report for 1908 on page 28, Inspector Bishop makes a statement that if conditions happened to be a little unfavorable to either employer or laborers, the tendency was to refuse to abide by the decisions of the commissions.

What more is necessary to condemn a proposition than the fact that it is too impracticable and inelastic to be applied to various conditions and that it can be obeyed or disobeyed at will? But in addition to these objections the theory has an unsound economic basis. Theorists and social reformers who are for the most part responsible for the Minimum Wage proposition while seeking a remedy for the conditions neglect to think of the cause. Adams and Sumner in their book on Labor Problems, page 150, give us statistics showing seventy-nine per cent of poverty due to other causes than low wage. In Liverpool, in a certain district, the longshoremen receive an average wage of \$4.00 per week, the lowest wage perhaps in the world. Yet in this same district, the report shows a yearly expenditure of \$7,000,000 for liquor. These enthusiasts forget these things and also forget many employers and capitalists who have been driven to the wall by business failures. They picture certain employers who because of shrewd business management are living amid comfort and apparent happiness and immediately conclude that he is reaping exorbitant profits from his laborers and demand a raise in their wages. The wages which an employer can pay depend on the cost of his raw material, the demand and supply of his finished product, the demand and supply of

labor and the individual efficiency and productive ability of the man in question. Of course in most cases the laborer can obtain a high enough wage to defray his living expenses but if in the employer's estimation the man is incompetent of earning the Minimum Wage the laborer has no legal right to demand the Minimum Wages. The Minimum Wage law must be accompanied by a minimum efficiency such as the teachers' minimum wage law in Iowa whereby they receive a certain amount for every per cent on their certificate.

Now if the state forces an employer to pay the Minimum Wage regardless of the efficiency of the labor it is an obvious injustice to him because it forces him to run a charitable institution at his own expense. It is also an injustice to the more competent laborer because he will be receiving less according to his efficiency and productive ability than is the less competent laborer. There are two disastrous results of applying such a law: its tendency towards reducing wages to a dead level and toward checking the incentive for individual efforts. When the cost of living is definitely known in a community, the cry for more wages on the part of the moderately well paid man will lose a great deal of its justice if the employer happens to be running on a low margin and labor is plentiful, it is a logical conclusion that the employer will at his first opportunity shave the wages of the skilled employees. Furthermore, when the law steps in and promises to guarantee every laborer a living wage the laborer will depend upon the law instead of upon his ability to earn the high wage. In other words the incentive for his individual effort will be checked. To substantiate these arguments, I quote from Mr Aves, the English investigator who was sent to Australia and New Zealand. He says: "I think the evidence is conclusive that present conditions in New Zealand are tending towards a lower efficiency and the standstill of industrial progress," Mr. Clarke, the American investigator, says: "The minimum set for skilled workers is as a rule the average wage paid and it is practically the unanimous testimony of the employers in Australia that men are not as interested in their work under the Minimum Wage as they were before." Thus this would be changed into an age of ma-

terialism instead of individual possibilities and merits. The prosperity and progress of a nation is due to constant incentive toward individual enterprise, untrammeled ambition in the consciousness of the call for advancement, and if we wish to bring the tide of our industrial progress to a standstill, then let us adopt a plan which tends to give the same financial remuneration and recognition to the common multitude as it does to the man who develops individual possibilities.

When a laboring man agrees to accept a Minimum Wage law, he surrenders his personal liberty. For if he accepts their protection he must abide by their decision. The labor unions are opposed to it because it takes from them the right to set the price at which they will sell their labor which is the very principle for which they have been fighting since their existence. The protection of the Minimum Wage is alluring but with it personal liberty is sacrificed. Mr. Fraser, an English journalist and traveler, says: "The complicated system in Australia interferes with the personal liberty and many of its regulations are absurd," for example he says no groom is allowed to repair a piece of harness however slight the damage. It must be sent to the harness repair man. A brick mason out of work in his trade would not seek employment in any other trade because he would be incompetent to earn the Minimum Wage set for skilled workmen in that trade and if the man hired him according to his ability he would lay himself liable for violation of the Minimum Wage law. Men not trade unionists have the utmost difficulty in securing work. Employers are many times called upon to dismiss good men who do not belong to the union, simply because the Minimum Wage commission happens to be union by majority. Then when for the sake of peace these men agree to join the unions they are many times told that the books are closed. A certain man in Victoria wanted a workman. Two applied. The man hired the non-unionist because he deemed him the more efficient man. The man was fined \$10 and costs for so doing and was told by the Minimum Wage board that it was their board and not the employer which decides the relative competency of the employees.

The consequence of such legislation is to create unpleasant feelings between employer and employee and authorities agree that there is a bitterness of vindictiveness almost a savagery between them in Australia which exceeds similar feelings in any other country in the world. Honorable judges, it was these obviously far-fetched regulations which were so undesirable in the reign of the ancient despots. Our constitution is founded upon the principle of personal liberty to each and every citizen. Thus for the protection of the personal liberty of our laborers which is guaranteed them in our constitution regardless of other reasons we feel justified in fighting against the policy of fixing minimum wage scales.

## SECOND NEGATIVE SPEECH

*Lyle M. Cassat*

Besides being impracticable and based upon unsound principles, the establishment of a legal Minimum Wage would only make bad industrial conditions worse. In the first place because it would increase the number of unemployed. Our honorable opponents have advocated the Minimum Wage as a remedy for conditions which it is claimed exist among unprotected labor. They have certainly done full justice to the scenes and conditions which they believe exist. They have been pleading for this interference by the State for those laborers who do not receive a living wage. Now the class of people who cannot earn a living wage is made up primarily of the slow, the old, the infirm, and the inefficient workers, and the glaring inconsistency of the Affirmative argument is that in pretending to help this class, which is in such pitiable conditions, they would throw them entirely out of the employment which they now hold.

If the law should step in and compel an employer in a certain industry to pay a Minimum Wage of say ten dollars per week, what would be done? If you were the employer you would immediately run down over your pay roll and every employee who was not at that time earning a wage of at least ten dollars, working on the basis of his efficiency, what he is worth to you, would immediately lose his job. A person with only slight business ability can easily see that the laborers who were receiving, on the basis of their efficiency, even nine dollars and one half per week, could not remain in your employ. If a man has to pay not less than ten dollars a week to each laborer, it stands to reason that he wants only those laborers who are earning at least that amount. It would make no difference how much you pitied those people, business is business, and purely business principles would compel you to throw entirely out of your establishment, the old, the infirm, the slow and inefficient workers, whom you had hitherto paid on the basis of what they earned.

But, it is said the employer can raise the price of his commodity to offset this increase in expenditure. This would

not only add to the already high cost of living, but if we keep within bounds of sound reasoning and economic law we know that in raising the price of any commodity, we lower the demand and fewer laborers are necessary to produce it. The result in this case would be that a large per cent of the laborers would lose their jobs.

Or, if the employer could not possibly pay the increased wage and do business, he would have to close his doors and besides hurting the industry of the country at large, he is depriving his employees of their means of subsistence. Any way you approach the matter, laborers in great numbers will be thrown out of employment. In the district of Auckland, New Zealand, after four years of the Minimum Wage operation, twenty-five hundred fewer people were engaged in the remaining industries while one hundred and eleven industries went entirely out of business. When you consider that the entire working population of Auckland does not amount to one-twentieth the laborers of a state like Illinois we can justly feel alarmed over its results in the United States.

Dr. Clark reports emphatically that the Minimum Wage law in both New Zealand and Australia throws the slow worker and semi-incompetent wage earner entirely out of employment. This may not be a matter of grave importance in a country like Australia, which is sparsely settled and where the people are not herded into great industrial centers, but in a country like our own such results are not to be considered lightly. Mr. Aves of the British Government says, "The report bears witness that an improvement in one direction was only secured by increased suffering in another."

In England it has worked out that a great per cent of the less efficient coal-miners have been driven into pauperism. But this is not the only danger. Employers in New Zealand and Australia admit that it is more profitable to employ young and quick men and dismiss others when they reach middle age. As soon as girls serve their terms of apprenticeship they are turned out and others take their places, so that not only at first but constantly the Minimum Wage adds to the ranks of the unemployed. Business principles are not different in different countries. In the United States, em-

ployers, just as they have done wherever the Minimum Wage has been tried, would take only the quickest and most efficient workers with the result that where hundreds are thrown out in Australia, thousands—yes, tens of thousands—would be thrown out of employment in the United States.

Not only will the old, the slow, the inefficient, and the infirm be thrown entirely out of work but we have no assurance that the laborers retained by an industry will have continuous employment. Why, it stands to reason that when an industry has a greater expense laid upon it in the nature of increased wage, that it will seize every opportunity to economize this expense by laying off their employees at every chance. You will all agree with me that \$1.25 per day for six days is better than \$1.40 for five days and better than \$1.75 per day for four days. Six weeks work at nine dollars per week is better than five weeks work at ten dollars, so that unless we have some assurance of steady work for the laborer, the Minimum Wage would do him little good. His aggregate wages for the year might not be as much under the Minimum Wage as without it.

No, our honorable opponents have slipped over this problem too lightly. They have merely admitted that these laborers will be thrown out of employment but they have formulated no remedy for it.

Since the Minimum Wage would apply especially in the lowest industries, these jobless would have no trade to turn to and must be thrown upon the public for support. This is no solution for our trouble whatever. We only slip by the exploited labor problem to one equally large—that of unemployment. The United States has now one of the greatest unemployment problems of any nation in the world. Unemployment is already a national menace and any measure which so plainly throws more of this class upon us cannot receive our support. Unemployment has always caused greater suffering in the United States than low wages. This is the class which has filled our charitable institutions to overflowing and in our cities has proven to be always a source of crime and outrage. Only lately the papers from our great cities have been clamoring for a solution for the unemployed

problem within their borders. The Chicago Record-Herald of February 1st reported a snow storm as having given work to 10,000 jobless in that city alone. The same paper of February 12th states that there are 350,000 jobless men and women in New York City alone. Troops have had to quell riots started by these people. Charitable institutions are taxed to the limit of their capacity and free lodging and eating houses have been established. Other great cities have a problem similar in size to deal with and yet we listen to advocates of a measure which even its heartiest supporters claim will increase this number. Father Ryan, one of its strongest advocates, says that this is the most serious objection to the legal Minimum Wage.

The advocates of the measure say lightly, the state can take care of these people. If the states are compelled to furnish employment for these unfortunates not only are we becoming involved in socialistic legislation with all its subsequent difficulties but we are harming the individual as well. This ought to be the last word in a problem of this kind. Minimum Wage legislation is proposed to help the lower class of laborers. What effect will it have upon them? Will those who are thrown out of employment be satisfied or will they feel that they are being sacrificed to the susceptibilities of officious sentimentalists? We, of the Negative, believe that the laborer's best self will be injured. If made to work for the state he lives the life of a pauper with no ambition for anything better than to exist. His efficiency will be lowered. Even under our present system everyone loafers who is doing manual labor for the state or government. Loafing becomes a science in the erection of Government buildings and the man who doesn't rest his team half the time when even working out his county road tax is considered a fool. Deplore these conditions as we may, they are facts and when you deprive the laborer of all self-respect his interest in the efficiency of his work is lost. Dr. Clark says of New Zealand, "It is rather significant in a country where the Government is the largest single employer of labor, that the go easy or intentional soldiering on the job is almost universally known both among employers and employees."

Professor Fitch writing in the Des Moines Capital only a few days ago after a visit to Australia says, "The principle defect which I found in the socialistic system is that under municipal or government ownership, workmen there do inferior work and less of it."

Honorable judges, by establishing the legal Minimum Wage we only make bad industrial conditions worse by increasing the number of unemployed, plunging the state into socialistic and paternalistic measures of relief for these people and by injuring the laborer, himself, through the loss of his self respect.

The Minimum Wage would only make bad industrial conditions worse, in the second place, because it would intimidate capital. Now, anything that the state does to drive away capital or to keep capital from coming into the state, deprives laborers of that state of work and of course, clogs the movement of our whole industrial system. On the very face of it, it does not stand to reason that a man will invest his money in a concern into which the state regulation of wages has been introduced nearly as quickly as into one into which it has not been introduced. A self-respecting, independent business man recoils at the thought of the state dictating the prices which he shall pay for his employees. Human nature tells us that money would be withdrawn from these industries and more of the lower class of laborers would be out of a job.

President Hadley, of Yale, in his book on "Economics," page 366, voices the sentiment of economists when he says that the closeness of the competition of capital and the narrowness of the margin of profit is too often underrated. We do not realize how closely actual piece wages have been forced to the limit, which prices will allow.

This is especially true of the young industries. We all know of new industries starting up at the present time all over the country which are paying all they possibly can pay for laborers. They have already by a natural course of events raised wages, for workmen had to be induced to leave their other work and join the new industry. If forced by the state to pay more than this wage, the new company must go out of business and the old, strong, well-established

concerns reap the benefit. Herein lies the great danger to the country's industries where the Minimum Wage is used extensively. It discourages new industries, discourages competition and consequently promotes monopoly.

Dr. Clark in his report says, "While some manufacturers speak well of the system the business world generally is opposed to it. There is a lack of enterprise in New Zealand as compared with the United States."

Professor Le Rossignol, of the University of Colorado, after making extended investigation in Australia says, "Industrial enterprise has been checked to a considerable extent by the labor laws. But few industries are started and new investors are slow to put their money into industries in which the chief item of expenditure is labor."

In Australia after experimenting with the Minimum Wage under almost ideal conditions for its successful working out, we find not only hatred between laborers and employers such as we do not know even in this country, but, owing to the pressure of the laborers on the wage boards, capitalists are slow to put their money forward and the industry of the country suffers.

Another aspect of the whole matter remains for us. A state which has cried away with the parasitic industries and goods made under sweated conditions, cannot consistently allow the sale of articles made under sweated conditions in that state no matter where they came from. It would be about as foolish as for Iowa to legislate against the manufacture of liquor within the state and then allow it to be shipped in and sold in every town and city in the state. Thus Rhode Island, if she desires to carry out the Minimum Wage consistently would have to bottle herself up from all goods made under sweated conditions in Massachusetts, Pennsylvania, New York, etc. All this would require investigation, for obviously a trade which is sweated in one state may not be considered so in another. Going farther, the separate states would have to refuse goods made in foreign countries and here the case becomes ridiculous for under our standards

almost all goods made in foreign countries are made under sweated conditions. The result would be as disastrous to industry as unnecessary.

Honorable judges, we make bad industrial conditions worse in the second place, by intimidating capital not only by working hardship to private capital but by injuring state and national industry as well.

By establishing the legal Minimum Wage we only make bad industrial conditions worse, in the third place, by stimulating undesirable immigration. I do not need to tell you that the United States has the greatest immigration problem of any nation. In the last ten years, according to the World's Almanac, over ten million people have left their home for the shores of our country. These are the people who have crowded into our cities making slum and sweatshop conditions. This is the class that the Minimum Wage would help, a class composed in a large measure of foreigners. If these people were sturdy settlers, of good descent, as our earlier immigration, this inducement to bring them over here might be justified, but as a matter of fact we all know that we are receiving at the present time the scum and dregs of society. They have no desire to accept the American standard of living or even to become permanent residents. They are perfectly satisfied with sweatshop conditions and seem to find it so remunerative that they can always send for their friends and relatives. In the Massachusetts commission report for the Minimum Wage we find that from seventeen to forty per cent of the workers investigated were of foreign birth, while thirty to fifty per cent were native born of foreign parentage. It is safe to say that in New York, one half the laborers affected by the Minimum Wage would be foreigners. What would be the result? Let it be known that our states guarantee a wage surprisingly large in their eyes for the lowest grades of labor and the country would be besieged with foreigners clamoring for admission. Steamship companies would proclaim far and wide that no one could get less than a living wage over here and the result of such bait would be hard to estimate.

To be sure our honorable opponents have said that there are only a limited number of jobs, but this only complicates our problem. We are offering inducement to a lot of people to be fed ultimately by the state, to increase the number of unemployed, and present aggravating problems to our already overcrowded city life. It is again argued that an employer who cannot pay less than a certain wage will preferably give his work to the American laborer. This does not relieve the situation either, for if we lure these foreigners over here and then take their work from them, they must be cared for in some other way.

Thus we make bad industrial conditions worse, in the third place, by attracting a low class of immigration to be furnished employment or to be cared for by the state.

The Negative has shown you, honorable judges, that the policy of fixing a Minimum Wage by state governments is not desirable, first, because it is impracticable. My colleague has shown you that it is impracticable, first, because it is too inelastic to fit various situations; second, because it cannot be adequately investigated; third, because it will create unfair state competition; fourth, because it can be easily evaded. It is further not desirable in the second place, because it is based upon unsound principles, first, because poverty is not due in the majority of cases to low wages; second, because wages should be based upon business principles and efficiency and not upon sentiment; third, because it will tend to lessen the laborer's individual effort to increase his efficiency; and fourth, because it would interfere with the right of contract or personal liberty of the laborer. Furthermore, the legal Minimum Wage is not desirable in the third place, because it would only make bad industrial conditions worse: first, by increasing the number of unemployed, plunging the state into socialistic and paternalistic measures of relief for these people and injuring the laborer himself through the loss of his self respect; second, by intimidating capital, not only in working hardship on private capital but by harming the industry of the state and nation as well; and third, by stimulating an undesirable class of immigration who must be furnished employment or be cared for by the state.

## PART III—REBUTTAL

*Resolved,*

That the policy of fixing minimum wage scales by state boards is desirable.

### FIRST AFFIRMATIVE REBUTTAL

*Lester F. Ream*

In my constructive speech I mentioned the fact that my opponents would undoubtedly heap up an innumerable mass of minor details, in the hope that some of these minor points would be defective and through these they would be enabled to attack the whole great principle involved in the Minimum Wage. This very thing they have done. They have spent most of their time in presenting frivolous objections. Many of these objections have been secondary and do not bear directly on the question under discussion. However, admitting that some of these minor points should be recognized, we the Affirmative, cannot help but believe that they would be corrected after a short time in practice. Judging from past experiences, we are at once forced to form the conclusion that any law when first enacted is weak in places and can only be remedied by putting the law into operation.

In the course of my rebuttal it shall be my purpose to refute those objections given by the Negative which seem to bear directly on the question. Many of the objections presented are shallow in argument, and as I do not consider them worthy of consideration I will pass over them without mention. The present conditions of our unprotected and exploited labor as pictured by the Affirmative were admitted by the Negative to be true. They admitted these conditions to be true, not because they wanted to but because they had to. And to evade the weight of the argument given to the Affirmative by making such a concession, they charged us

with working on human sympathies. Honorable judges, in admitting these conditions to be true the Negative conceded that a change is imperative. But they have failed to suggest any other remedy for the evils caused by the low wage and at the same time they have utterly failed to show that the principle of the Minimum Wage is impracticable.

Our opponents charged us with being inconsistent when we compared Minimum Wage legislation in Australia with Minimum Wage legislation in our own states. They based this contention on the ground that Australia was a larger country than our own with a much less population and fewer industries. This argument becomes less imposing when we call attention to the fact that the Australasian territory in which it has been successful, while larger, has a greater population, has more industries and employs more workers than any one of our own states. Honorable judges, you cannot get away from the hard cold fact that Minimum Wage legislation has been a potent force in alleviating the industrial conditions in Australia. The employers themselves in Australia recognize the advantage of such an act. Victor S. Clark in his report on the Minimum Wage in Victoria says: "The better class of employers rather court some provision that frees them from competition of the less scrupulous." The personal investigations of Ernest Aves, the British commissioner, show the following important facts: In answer to the questions sent to the employers, "Is legal adjustment of wages advantageous to employers?" 81 per cent answered yes. To the question, "Is legal adjustment of wages advantageous to your trade?" 79 per cent answered yes. To the question, "Is legal adjustment of wages advantageous to the community?" 78 per cent answered yes. Honorable judges what better evidence could you ask that this legislation will benefit the employer than these favorable statements from the employers themselves. In the next place we must admit that any law is good which has been in operation for 18 years and during that time received the approval of the entire public. Such is the history of Minimum Wage legislation in Australia.

My honorable opponents have dared to claim that the

minimum would become the maximum. This would be a serious objection if it were true. But it lacks even the shadow of truth. There is nothing in our law to keep employers from paying as much as they please, or the laborers from getting as much as they can. Statistics given out by Ely and Commons of Wisconsin give the conclusive statement that in New Zealand and Australia over 60 per cent of the laborers receive more than the Minimum Wage. Instead of the minimum becoming the maximum the law will tend to separate the efficient from the inefficient. And when this separation is made the workers are going to receive just what they earn. We can see how Minimum Wage if it were high would tend to a certain extent to become the maximum. But the Minimum Wage which we suggest will be so low that it will not affect the efficient workman, because we will apply it only to sweated labor and this labor consists mostly of women and children.

The Negative contend that Minimum Wage legislation will create an unfair state competition. Instead of interstate competition killing trade under the Minimum Wage it will stimulate it. The existence of a legal Minimum Wage will tend steadily to drive business into those establishments which are most favorably situated, best equipped, and managed with the greatest ability and to eliminate the incompetent and old fashioned employer. Driving industries into those sections best situated will increase the efficiency of the industry. In the next place one state is not going to do anything that will be injurious to another. The Wage Boards in determining the Minimum Wage have taken into consideration interstate competition. In many instances the Boards would have liked to make the wage lower or higher but they realized the importance of interstate competition and acted accordingly.

The gentlemen of the opposition claim that the adoption of the Minimum Wage will mean an enormous increase in state officers and expenses. They have cited Australia as an example and the figures are probably true. When we consider the great good that Minimum Wage legislation has done for the workers of Australia we are at once convinced

that the extra expense incurred in enforcing the law has not been spent in vain. If Minimum Wage legislation will better the conditions of our exploited and unprotected labor, increase human happiness and guarantee every person who is capable of earning a living the necessities of life, then the extra economic expense is not worthy of consideration.

Our opponents attempted to overthrow the whole principle of the Minimum Wage by quoting from Adams and Sumner's book on "Labor Problems." They claim that page 150 of this book gives statistics showing that seventy-nine per cent of all poverty is due to other causes than low wage. Well enough, we accept these statistics, but for a moment let us go down below the surface and see what these other causes are and what was instrumental in bringing them about. When we analyze the situation we find that much poverty is due to drink, vice and sickness. Now the question resolves itself down to this point, What prompts men to lead a life of vice and drunkenness? It is their inability to earn a wage sufficient to provide for themselves and families the necessities of life. What is it that causes the large per cent of disease and sickness? It is poor sanitary conditions, and before these conditions can be bettered the workers must be paid a living wage. Thus we see that low wages are indirectly the cause of all poverty. Honorable judges, an argument of this kind sounds very well so long as we do not read between the lines, but just apply a little common-sense judgment to your reasoning and the logic of such a statement fades away like dew before the morning sun.

The Negative contend that Minimum Wage legislation will induce a great multitude of foreign labor to flock to this country. We the Affirmative are glad that they have brought this argument up, because it enables us to greatly strengthen the Affirmative side of the question. Immigration instead of weakening the validity of Minimum Wage adds to its general effectiveness. Our opponents argue that through the publicity of steamship lines thousands of inefficient and unskilled workers will be induced to come over to this country. They claim that these steamship companies will misrepresent the real facts in the case by telling the foreign workers that in

this country they will be guaranteed a living wage regardless of their efficiency. Now, in the first place the problem of immigration at the present time is as great a question as the one under discussion. If the adoption of Minimum Wage legislation will stir the national government to action and force it to restrict immigration in some way or other, I believe we will all agree that it is a good thing and on this evidence alone should be enacted. At the present time steps are being taken to restrict immigration by imposing on all foreigners a literacy test. If the literacy test should become a law the whole problem of immigration so far as Minimum Wage legislation is concerned would be settled. However, if no attempt is made to restrict immigration it would not be long until the people of foreign countries would learn that they must possess a certain amount of efficiency before they would be given employment. Under the Minimum Wage an employer is not going to employ a person who cannot earn this wage, and as most of the foreign labor is unskilled they would be forced to increase their efficiency or return to their native land. Thus we see that Minimum Wage legislation will compel foreigners to come up to a certain standard of efficiency, and they will soon learn that if they cannot come up to this standard it will be better for them to stay at home.

The argument that the Negative put forth in regard to the inelasticity of the law is absolutely absurd. The Wage Boards under this law will have power to fix a wage that can be changed to meet conditions; not one that will forever remain the same. When prices rise it will be the duty of the Wage Boards to see that wages are changed to meet conditions. In every instance where the Minimum Wage has been adopted, the Wage Boards have been given the power to fix different rates of wages for different sections of the state if the cost of living demanded it and to make different rates of wages for different classes and grades of labor. Does a law of this kind appear to be inelastic? Why no, it is folly to presume such a preposterous statement. In the next place they have charged us with not outlining a practicable and feasible plan. We must not lose sight of the fact that it is almost impossible to outline a plan which will not admit of

improvement. A perfect plan can only be worked out in time. However in my constructive speech I outlined a plan similar to those in the Australasian colonies and our own states, these plans so far have been successful, therefore we have every reason to believe that such a plan is both practicable and sound. Furthermore, the Negative have failed to pick any flaws in our plan and to evade its stableness they charge us with presenting no plan at all.

They claim that the law is impracticable because it will not guarantee continuous employment. Here again the gentlemen of the opposition are drawing on their imagination. At no time during the debate have we claimed that the law will create work, but we have contended that it will give employment to every person willing to work, so long as there is work and the labor of said person is worth the wage. Thus it is plain to be seen that an employer is no more apt to lay a laborer off under the Minimum Wage than he is under our present system. Honorable judges I believe that I have successfully met the most weighty objections of the Negative.

All through the debate the gentlemen of the opposition have misrepresented the real facts in the case. They have been inconsistent time and time again during the discussion by evading arguments they could not meet. And to offset this apparent weakness they have piled up a mass of minor objections, some of which have no bearing on the question whatever. Now honorable judges we the Affirmative so far in the debate have shown the principle of Minimum Wage legislation to be good.

## SECOND AFFIRMATIVE REBUTTAL

*Bruce F. Gates*

The gentlemen of the Negative have attempted to make many of our arguments seem ridiculous, not by meeting them squarely, but by taking much for granted and then forcing a conclusion, based on these suppositions. For instance, they argue at length that it would be no better to be employed part time on high wages than it would to be employed all the time on medium wages—true, but did they prove that under the Minimum Wage people would be employed part time? There's the rub—they merely supposed it—said it was common sense to suppose it. Ladies and gentlemen, I appeal to you, if under the Minimum Wage every man must produce all that he is paid, as both my colleague and my opponents have stated; in other words, if the employer is going to employ just those people whom it will be profitable for him to employ, why, in the name of common sense will he lay them off part of the time?

They also told you at length and on many occasions that the army of unemployed would be greatly increased. Honorable judges, the last thing that we will contend for the Minimum Wage is that it would create work for people, but we do contend that as long as work lasts every worker should get enough to keep body and soul together, and if he is not capable of producing enough to warrant such a wage he must be so defective that it is both harmful to him and to society to keep him housed up in a factory. We believe that there is enough work for at least most of our laborers, and that the employers can afford to pay them a living wage if they will not be so greedy for immense profits, but even granting my opponents' supposition that there is not enough work to go around, is that any reason why we should force a large number of people to grind out their very lives for piteously small wages in order that many more such people should receive that same small wage and live in that same squalid condition?

The gentlemen would scare you by telling you that we are advocating a socialistic and paternalistic system. This is entirely imaginary on their part. All we have advocated

is the proper protection of the unprotected laborers and the care of the defective laborers by the state. If to protect and care for the needy and unprotected laborer is socialism, then let the day of socialism hasten.

It is also suggested that the Minimum Wage will greatly intimidate capital and discourage new industries. This statement is so flimsy that I cannot waste much time on it. In the first place, honorable judges, you know as well as I do that it is not in small industries where our helpless laborers are ground into dollars by greedy employers half so much as it is in the big industries, but laying that aside, if there is any industry which must depend on sapping the life blood of laborers for its support, then I say it is a blessing to the community if that industry is discouraged.

The gentlemen also suggest that we argue against ourselves when we say that the Minimum Wage will insure industrial peace when it is meant to benefit the unprotected worker, because, they say, the unprotected worker cannot strike. To say the least they have a narrow view of industrial peace. Is the strike the only way that industrial dissatisfaction is manifested? Cannot the unprotected worker be soured on his work and on the world, can't he be a grumbler and constantly stirring up strife and trouble?

It is also suggested that it is hard to see how a higher wage will keep women out of the factory. It appears to our opponents that higher wages will lure the women on. They do not understand a mother's nature. A mother does not go into the factory to earn a high wage. She goes into the factory to supplement her husband's wage. Now, if that husband secured a higher wage she would not need to supplement it and surely women are not so constituted that they would rather work in a factory than in the home with their children if the husband earned enough without their help.

The gentleman who just left the floor says it is true that it would be hard to support a family on \$4 a week, but he argues against the Minimum Wage in this case, saying: "How do we know that the family will live any better if they do get more than \$4 a week?" I should hate to have that pessimistic outlook. I suppose some families might squander the additional, but it is certain they can't squander

much on the present \$4 a week, and I am just optimistic enough to believe the common people of our country are high minded enough to use more than \$4 a week, and use it sensibly.

The gentlemen also argue that the Minimum Wage will encourage shiftlessness, because the workers will not care whether they work or are supported by the government. Why, then, are our poorhouses not crowded to the walls if the pride of the American worker has fallen so low?

The Negative suggest that we have a strange idea of the right of contract when we say that it presupposes the equality of the bargaining power of the two parties to the contract. They also add that real freedom of contract gives every man the right to sell his labor as he sees fit. My right of personal liberty allows me to draw up and extend my arm with the greatest force—as long as I am in a room by myself, but when I am in a crowd my personal right stops just where my neighbor's nose begins. When we are gathered together in a state our personal right of freedom of contract stops just where society's rights begin. And we still maintain that real freedom of contract presupposes the equality of bargaining power of the two parties.

Now, my colleague said that low wages are the cause, indirectly, of many of the supposed causes of poverty, which the Negative recited to you, for instance, drunkenness. Now the Negative tell us that if low wages cause drunkenness it would be foolish for us to give these people more money just to spend for liquor. Honorable judges, if this argument of theirs hold water, why don't they advocate taking what little wage they get now away from them so they won't have anything to spend for drink?

Now, in conclusion, honorable judges, I want to again call your attention to the various arguments for the Minimum Wage. (1) The condition of the unprotected worker is pitiful and demands relief. (2) The Minimum Wage is the most adequate remedy for these evils, since it strikes at the very root of the evil. (3) The Minimum Wage will increase the efficiency and productivity of the state's industry. (4) The Minimum Wage will promote the general welfare of the state, and (5) The Minimum Wage will give the unpro-

tected worker a decent living and a fair opportunity in the industrial world.

Now, ladies and gentlemen, we are not arguing for the Minimum Wage for the benefit of the employer or of the state or of the higher class of labor. We merely mention these classes to show you that the Minimum Wage will not hurt them and may do them some good. The people who we believe need the protection of the Minimum Wage are the unskilled, unprotected workers, who, because of their weakness, are being exploited by unscrupulous employers almost at will. If we have shown you that the Minimum Wage will give this class of workers just protection and the protection that is due them as weaker members of our society, I believe you will agree with us that the Minimum Wage is justifiable.

Our opponents have emphasized, over-emphasized and magnified many little pet objections to the principle, but it matters not how good a law may be, it will always have its enemies who can pick flaws in it and point out where it has failed and is bound to fail. We have passed from slavery to citizenship, from absolute monarchy to republic, and every step of the way has been fought bitterly. To-day we are concerned more and more with man's social duty and what we owe to society. We are trying to produce a better and higher type of man and woman. Of course, we can expect opponents to throw water.

We do not claim the Minimum Wage is a panacea for all evils. We do not claim it could be universally enacted in a year or even in ten years. The wage boards would probably have to be introduced gradually in one trade after another. We advocate the Minimum Wage boards for those groups of unprotected workers which need protection worst and believe that these boards will prove a fundamental, thorogoeing and adequate remedy for the evil of underpaid labor. This method promises to strike at the real root of the evil, and we believe that while not a complete remedy, it is a sane attempt to do something in an intelligent and business-like manner to relieve a most serious situation. It seeks first to diagnose the difficulty and then go about curing it in the light of trustworthy information.

## FIRST NEGATIVE REBUTTAL

*Alvin W. Wendt*

The gentlemen of the Affirmative have based their entire argument upon the idea that low wages are the cause of poverty, and that the way to neutralize these evils is to raise the wage. They have made this bold assumption without first proving its truth. Now it seems quite logical, I grant, to argue that an increase of wages will lessen poverty, but let us consider for a moment the real causes of poverty in general. Adams and Sumner in their book on labor problems give us an account of an investigation in the four cities of New York, Boston, Brooklyn and Philadelphia, showing that 72 per cent of the poverty is due to misfortune and 25 per cent due to misconduct. More specifically, drink accounts for 15.3 per cent of the poverty; shiftlessness and inefficiency, 7.51 per cent; lack of employment, 6.51 per cent; sickness and sudden death, 22.27 per cent; non-continuous employment, 24 per cent, and old age 4 per cent. This leaves a total of about 20 per cent, which the Minimum Wage could possibly remedy.

The Affirmative contend that the Minimum Wage is no theoretical movement, but yet they express their inability to outline any definite plan for it. They contend that under the Minimum Wage permits may be granted to beginners, incompetent, aged and infirm workers. But when they do this they have neutralized the effects of their law. These beginners, inefficient, old and infirm workers are the ones that need aid. It was for them that the Minimum Wage idea was conceived. When you allow these people to work for what they see fit all possibility of any benefit from the law is done away with.

They argue that the Minimum Wage will increase the productivity of the state's industry, but granting this for the sake of argument, they have not shown in any way how this will benefit the unprotected laborer.

Nor does the argument that the Minimum Wage benefits the employer have anything to do with benefiting these poor down-trodden laborers which the Affirmative are continually talking about.

The fact that Minimum Wage legislation is the outgrowth of recent labor legislation is immaterial to the question. It matters not from what this theory may have grown. The Affirmative must base their arguments on the merits of the Minimum Wage alone and not on sentimentalism.

My second opponent admits that laborers will be thrown out of employment and agrees that those thrown out will consist mainly of the incompetent and inefficient. This is exactly the same class of laborers which they are seeking to benefit. Unemployment is already a great national problem and is responsible for about one-fourth of all poverty. Any proposition which increases this number certainly cannot be considered. To justify this, he argues that they will be set aside as a special class to be studied by the state. Now these people are poor and have no money to fall back on, and I ask him how he thinks they can live by being studied by the state.

The gentlemen further contend that these so-called minor details will soon be adjusted after the plan is put in operation. Now, as a matter of fact, Australia has been battling with these minor details for eighteen years and is still attempting to adjust them.

Suppose the Minimum Wage law will promote the aggregate efficiency of industry by filling every position with the most available candidate, as the Affirmative contend. The Minimum Wage is not proposed to better our industries, its object is to alleviate poverty and wretchedness, and our aim should be to decrease the number of the unemployed rather than increase the number of those laborers working for a high wage.

The Affirmative point out Australia and attempt to draw an analogy between the two countries. Now, Australia has an area greater than that of the United States and has a population of about one-thirtieth as much as the United States. They have few cities over 100,000, and the population of any of their six political divisions could be lost in Chicago. The total manufactured output of Australia in 1910 was about one-fourteenth as much as the State of Massachusetts. Then, too, Australia has compulsory arbitration laws which are the foundations for what little success has been accom-

plished for the laborers of Australia. Now, have the Affirmative proved in any way that these vastly different conditions here in our country can possibly be overcome by Australia's plan? Have they proved to you that the "analogy is strong," as my first opponent said it was? I believe you will agree with me that in this connection, at least, their statements have not been backed up with sound reason.

Just as my honorable opponent has said, we have cited to you a mass of objections, which, I grant, are innumerable, and in addition to pointing these objections out to you, we have proved how each particular objection will be magnified under the much more complicated industrial conditions of our country.

The fact that the Minimum Wage legislation has spread over eight states is no argument for it. The fact of the matter is we are law crazy. The cry is for more law, instead of for a better enforcement of the laws which are already on the statute books, and which are capable of handling the situation if properly enforced.

In our own country, proper inspection of the tenement districts and proper enforcement of factory inspection laws, sanitary laws, child labor laws, would accomplish all the results which the Affirmative are appealing for to-night.

In closing, honorable judges, let me say that I am entirely in sympathy with the helpless laborers and I realize that we as a nation should do all that we can to better their condition. However, mere flights of emotion which result in theoretical schemes, will do nothing to better this condition. If my opponents to-night have as good a plan as they would have you believe why haven't they dealt more in clear-cut, definite plans instead of trying to arouse your sympathies? If the condition of our poorer laborers needs remedying is that any reason why we should plunge headlong into such a complicated and uncertain system as the proposed Minimum Wage law? As I have previously suggested, all that one can claim for it can reasonably be expected to follow a sane enforcement of our present laws, coupled with education and moral reformation of the poorer classes.

We of the Negative have already emphasized the fact that the Minimum Wage is impractical and is based on unsound

economic principles. In addition to this we have pointed out the one big glaring defect of the whole plan as set forth by our opponents to-night, namely, that the Minimum Wage law throws out of employment just that class of weak and defective laborers which it seeks to benefit and increases the already too large army of the unemployed. For these reasons we of the Negative believe that the Minimum Wage should not be adopted by state governments.

## SECOND NEGATIVE REBUTTAL

*Lyle M. Cassat*

The gentlemen of the Affirmative contend that the Minimum Wage will promote the general welfare of the state because it will be the best means of securing industrial peace. For this argument there seems to be little ground. The state is not troubled with industrial warfare where the people engaged in any industry are not strongly organized. An unorganized mob of workers couldn't possibly strike, and it is for these laborers that our opponents are arguing to-night. The gentleman draws a pathetic picture of these poor, unorganized people who have to take what an employer will give them. How can such unorganized people possibly create any disturbance in the industrial world which warrants the remedy they suggest in the Minimum Wage? If he means that in a strongly organized union it would tend toward peace, not only are our opponents standing for the spread of the Minimum Wage into all lines of industry, but they forget that organized labor does not want the legal Minimum Wage. Samuel Gompers emphatically states that organized labor is opposed to the legal Minimum Wage, because the minimum would soon become the maximum. But, grant for the moment, that it will work out theoretically, it has not secured industrial peace in practice. In New Zealand there was a general strike of the slaughter men in 1907. Since then there have been numerous strikes and the tendency is for them to become more numerous, because each side is suspicious of the pressure the other is placing on the wage boards. The hatred between the two classes where the Minimum Wage has been tried is not known even in our own country.

As to the Wisconsin situation, I hold here a letter from the Industrial Commission of that state, dated December 11, 1913, which says that, "This commission has done practically nothing on this law up to the present time." This was written some nine months after the article which the gentlemen referred to in the Review of Reviews and conveyed the impression that the Minimum Wage had done so much in that state to relieve the pressure between laborers and employers. Nor is this the only instance of our opponents' conveying

the wrong impression by their statements. The first gentleman said that the English Parliament was so pleased with the report of Mr. Aves that they immediately wrote the Wage Boards Act of 1910. As a matter of fact, Mr. Aves returned to England in 1907. It doesn't look as though Parliament acted with undue haste in order to get the law written by 1910.

They also contend that the Minimum Wage will protect women workers. As a matter of fact women workers should not be in industry at all when they have families to look after. How can a higher wage keep the mother at home or keep the children in school? We want women workers kept entirely out of industry and given opportunity to fill their sphere of influence in the home. But how in the name of common sense can this be done by offering them higher wages and only luring them on instead of devising a scheme whereby they may be looking after those who need a mother's care.

Further, they claim that the Minimum Wage will prevent the exploitation of the helpless worker and give him a fair opportunity in the industrial world. They have told us that a man cannot keep his family on \$4 per week. Very true, but how do we know that his family would live one bit better if he received higher wages. We have shown you, honorable judges, that according to the report of the Massachusetts Industrial Commission, from 50 to 80 per cent. of all workers investigated were either foreign born or native born of foreign parentage. These people do not want better conditions than they now have. They are finding their work remunerative enough that they send back large amounts comparatively each year to the old countries.

The argument that the Minimum Wage will stimulate endeavor to increase individual efficiency seems far fetched. Our honorable opponents forget that they are discussing the lower classes of laborers which they pictured early in the debate. Their argument might apply if each laborer were an educated man. You and I, of course, wouldn't want to lose our jobs, but what of these people? They don't care whether they live by their labor or whether the state furnishes it for them. If they can secure a living from the state how could

it possibly stimulate their ambitions to increase efficiency? Dr. Clark emphasizes in his report that the opposite is the case in Australia, where, he says, there is a decided trend in the direction of decreased efficiency.

Nor does the Minimum Wage make the right of contract an actuality. It only makes the employer state whether he wants the laborer or not, in a word, without paying what the laborer can earn and what he would be glad to receive. Right of contract means that if a man wants to receive so much for his labor, he has the right to do so. Certainly our honorable opponents have a strange idea of the right of contract. The Minimum Wage takes away his right to work for what he wants to and throws him a pauper on the state instead.

The gentlemen have attempted to explain away the statistics given by Adams and Sumner as to the causes of poverty, in a humorous way. It is strange indeed to say that low wages prompt men to lead lives of vice and drunkenness. Would we be justified in increasing this kind of low living by giving them higher wages? Certainly not. That is exactly our point. If only 50 per cent of poverty were due to low wages, by raising the wages of these people we would be aggravating the drunkenness, vice, etc., of the other 50 per cent.

The Affirmative have attempted to prove first that the condition of the laborer is pitiful and demands relief. All of this we can admit, but it argues nothing for the Minimum Wage. They say second that the Minimum Wage strikes at the very root of the evil. But we have shown you, ladies and gentlemen, that this cannot possibly be true, since low wages are not the cause of even half our poverty. Nor can their third argument stand, that the Minimum Wage would increase the efficiency and productivity of the state's industry, for we have shown you that capital would be intimidated, laborers thrown out of work, and general confusion result. They have argued as their fourth point that under the Minimum Wage the unprotected worker is given a decent living and a fair opportunity in the industrial world. According to their own argument, however, the Minimum Wage cannot create positions, and we must realize that the right of con-

tract is made no more of a reality because under the Minimum Wage the employer holds all the power by his decision of how many and what laborers shall work for him.

In conclusion, honorable judges, I want to briefly sum up the arguments of the Negative. We have shown you that the Minimum Wage would prove positively detrimental to our states, first, because it is impracticable. We have shown you that the best Minimum Wage system known to-day would not work in the United States, because it is inelastic, could not be adequately investigated and is easily evaded. We have shown you that the policy of fixing a Minimum Wage by state governments is not desirable, second, because it is based upon unsound economic theory. We have shown you on this point, first, that poverty is not due in the majority of cases to low wages, an argument which our opponents have utterly failed to meet. Second, because efficiency should be always the basis for wages. Third, because it will tend to lessen the laborer's individual effort to increase efficiency, and, fourth, because it would interfere with the personal liberty of the laborer. It is further not desirable, because, third, the Minimum Wage would only make bad industrial conditions worse by, first, increasing the numbers of the unemployed; second, by intimidating capital, and, third, by stimulating undesirable immigration. For these reasons, honorable judges, we of the Negative contend that the policy of fixing a Minimum Wage by state government is not desirable.



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